



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 24, 2002

H.R. 3400 **Networking and Information Technology Research** **Advancement Act**

As ordered reported by the House Committee on Science on December 6, 2001

SUMMARY

H.R. 3400 would authorize the appropriation of about \$7 billion over the 2003-2007 period for civilian research and development (R&D) on computer networking and information technology (IT) at five agencies. The bill would authorize funding for both new and ongoing activities of the National Science Foundation (NSF), Department of Energy, National Aeronautics and Space Administration, Department of Commerce, and Environmental Protection Agency. In addition, the bill would direct NSF to examine trends in the IT workforce and fund a study by the National Academy of Sciences on the nation's IT research capabilities in relation to other countries.

Assuming appropriation of the specified amounts, CBO estimates that implementing this bill would cost \$5.4 billion over the 2003-2007 period. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 3400 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3400 is shown in the following table. The costs of this legislation fall within budget functions 250 (general science, space, and technology), 300 (natural resources and the environment), and 376 (commerce and housing credit). For this estimate, CBO assumes that funds will be appropriated near the beginning of each fiscal year and that outlays will occur at rates similar to those for other research programs at these agencies. We also assume that the amounts authorized for NSF include funding for the study on the IT workforce.

| By Fiscal Year, in Millions of Dollars | | | | | | |
|--|-------|-------|-------|-------|-------|-------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| R&D Spending for IT Under Current Law | | | | | | |
| Budget Authority ^a | 1,068 | 0 | 0 | 0 | 0 | 0 |
| Estimated Outlays | 958 | 634 | 150 | 42 | 14 | 0 |
| Proposed Changes | | | | | | |
| Authorization Level | 0 | 1,157 | 1,270 | 1,395 | 1,536 | 1,688 |
| Estimated Outlays | 0 | 401 | 985 | 1,203 | 1,354 | 1,504 |
| R&D Spending for IT Under H.R. 3400 | | | | | | |
| Authorization Level | 1,068 | 1,157 | 1,270 | 1,395 | 1,536 | 1,688 |
| Estimated Outlays | 958 | 1,035 | 1,135 | 1,245 | 1,368 | 1,504 |

a. The amount appropriated for these activities in 2002 is based on information from the Office of Management and Budget.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 3400 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The bill would benefit state governments by authorizing \$50 million, from 2003 through 2007, to eligible nonprofit organizations (including public universities) to carry out research to advance the role of information technology in crisis management. Based on historical spending patterns of the agencies identified in H.R. 3400, CBO estimates that public universities also would receive, in the form of grants, a significant portion of the approximately \$7 billion authorized in the bill.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Kathleen Gramp, Ken Johnson, and Susanne Mehlman

Impact on State, Local, and Tribal Governments: Elyse Goldman

Impact on the Private Sector: Jean Talarico

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis